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# DEPARTMENT OF COMMERCE

International Trade AdministratiON

[A-552-823]

Laminated Woven Sacks from the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigation

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce.

DATES: Effective March 27, 2018.

FOR FURTHER INFORMATION CONTACT: Drew Jackson or Celeste Chen, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4406 or (202) 482-0890, respectively.

#### SUPPLEMENTARY INFORMATION:

#### The Petition

On March 7, 2018, the U.S. Department of Commerce (Commerce) received an antidumping duty (AD) Petition concerning imports of laminated woven sacks (LWS) from the Socialist Republic of Vietnam (Vietnam), filed in proper form on behalf of the Laminated Woven Sacks Fair Trade Coalition and its individual members, Polytex Fibers Corporation and ProAmpac Holdings Inc. (collectively, the petitioners). The AD Petition was accompanied by a countervailing duty (CVD) petition concerning imports of LWS from Vietnam. The petitioners are domestic producers of LWS.

On March 12, 16, and 26, 2018, Commerce requested supplemental information pertaining to certain areas of the Petition.<sup>3</sup> The petitioners filed responses to these requests on March 14, 2018, <sup>4</sup> March 19, 2018, <sup>5</sup> and March 27, 2018. <sup>6</sup>

<sup>&</sup>lt;sup>1</sup> See Petitioners' Letter, "Petitions for the Imposition of Antidumping and Countervailing Duties on Laminated Woven Sacks From the Socialist Republic of Vietnam," (March 7, 2018) (the Petition); see also Petitioners' Letter "Antidumping and Countervailing Duty Investigations of Laminated Woven Sacks From the Socialist Republic of Vietnam: Correction to Petitioner's Name," dated March 16, 2018 (clarifying the name of ProAmpac Holdings Inc.).

<sup>2</sup> See Volume I of the Petition, at 2 and Exhibit I-1.

<sup>&</sup>lt;sup>3</sup> See Commerce Letter re: "Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Laminated Woven Sacks from the Socialist Republic of Vietnam: Supplemental Questions," dated March 12, 2018; see also Commerce Letter re: "Petition for the Imposition of Antidumping Duties on Imports of Laminated Woven Sacks from the Socialist Republic of Vietnam: Supplemental Questions," dated March 12, 2018. See also Memorandum, "Petitions for the Imposition of Antidumping and Countervailing Duties on Laminated Woven Sacks from the Socialist Republic of Vietnam, Phone Call with Counsel to the Petitioners," dated March 16, 2018. See also Memorandum, "Petitions for the Imposition of Antidumping and Countervailing Duties on Laminated Woven Sacks from the Socialist Republic of Vietnam, Phone Call with Counsel to the Petitioners," dated March 26, 2018.

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioners allege that imports of LWS from Vietnam are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or threatening material injury to, the domestic industry producing LWS in the United States. Consistent with section 732(b)(1) of the Act, the Petition is accompanied by information reasonably available to the petitioners supporting their allegations.

Commerce finds that the petitioners filed this Petition on behalf of the domestic industry because the petitioners are interested parties as defined in section 771(9)(C), (E) and (F) of the Act. Commerce also finds that the petitioners demonstrated sufficient industry support with respect to the initiation of the AD investigation that the petitioners are requesting.<sup>7</sup>

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<sup>&</sup>lt;sup>4</sup> See Petitioners' Letter, "Investigation of Laminated Woven Sacks From the Socialist Republic of Vietnam: Petitioners' Responses to Supplemental Questions Relating to Volume I: General Issues" dated March 14, 2018 (General Issues Supplement); see also Petitioners' Letter, "Investigation of Laminated Woven Sacks From the Socialist Republic of Vietnam: Petitioners' Responses to Supplemental Questions Relating to Volume II: Antidumping Duties," dated March 14, 2018 (AD Supplement).

<sup>&</sup>lt;sup>5</sup> See Petitioners' Letter, "Investigation of Laminated Woven Sacks From the Socialist Republic of Vietnam: Petitioners' Responses to Second Supplemental Questions Relating to Volume I: General Issues," dated March 19, 2018 (Second General Issues Supplement).

<sup>&</sup>lt;sup>6</sup> See Petitioners' Letter, "Investigation of Laminated Woven Sacks From the Socialist Republic of Vietnam: Petitioners' Responses to Second Supplemental Questions Relating to Volume I: General Issues," dated March 27, 2018 (Third General Issues Supplement).

<sup>&</sup>lt;sup>7</sup> See the "Determination of Industry Support for the Petition" section, below.

## Period of Investigation

Because the Petition was filed on March 7, 2018, and Vietnam is a non-market economy (NME) country, pursuant to 19 CFR 351.204(b)(1), the period of investigation (POI) is July 1, 2017, through December 31, 2017.

## Scope of the Investigation

The products covered by this investigation are LWS from Vietnam. For a full description of the scope of this investigation, *see* the "Scope of the Investigation," in the Appendix to this notice.

### Comments on Scope of the Investigation

During our review of the Petition, Commerce issued questions to, and received responses from, the petitioners pertaining to the proposed scope to ensure that the scope language in the Petition would be an accurate reflection of the products for which the domestic industry is seeking relief. Commerce also held two conference calls with the petitioners regarding the scope language. As a result of these exchanges, the scope of the Petition was modified to clarify the description of the merchandise covered by the Petition. The description of the merchandise covered by the Appendix to this notice, reflects these clarifications.

As discussed in the preamble to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (scope). 11 Commerce will

<sup>&</sup>lt;sup>8</sup> See General Issues Supplement; see also Second General Issues Supplement.

<sup>&</sup>lt;sup>9</sup> See Memorandum, "Petitions for the Imposition of Antidumping and Countervailing Duties on Laminated Woven Sacks from the Socialist Republic of Vietnam, Phone Call with Counsel to the Petitioners," dated March 16, 2018; see also Memorandum, "Petitions for the Imposition of Antidumping and Countervailing Duties on Laminated Woven Sacks from the Socialist Republic of Vietnam, Phone Call with Counsel to the Petitioners," dated March 26, 2018

<sup>&</sup>lt;sup>10</sup> See Second General Issues Supplement; see also Third General Issues Supplement.

<sup>&</sup>lt;sup>11</sup> See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997).

consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determination. If scope comments include factual information, <sup>12</sup> all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests all interested parties to submit such comments by 5:00 p.m. Eastern Time (ET) on Monday, April 16, 2018, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on Thursday, April 26, 2018, which is 10 calendar days from the initial comments deadline. <sup>13</sup>

Commerce requests that any factual information the parties consider relevant to the scope of the investigation be submitted during this time period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigation may be relevant, the party may contact Commerce and request permission to submit the additional information. All such comments must be filed on the records of the concurrent AD and CVD investigations of LWS from Vietnam.

#### Filing Requirements

All submissions to Commerce must be filed electronically using Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS).<sup>14</sup> An electronically filed document must be received successfully in its entirety by the time and date it is due. Documents exempted from the electronic submission

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<sup>&</sup>lt;sup>12</sup> See 19 CFR 351.102(b)(21) (defining "factual information").

<sup>&</sup>lt;sup>13</sup> See 19 CFR 351.303(b).

<sup>&</sup>lt;sup>14</sup> See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011); see also Enforcement and Compliance; Change of Electronic Filing System Name, 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, which went into effect on August 5, 2011. Information on help using ACCESS can be found at https://access.trade.gov/help.aspx and a handbook can be found at https://access.trade.gov/help/Handbook%20on%20Electronic%20Filling%20Procedures.pdf.

requirements must be filed manually (*i.e.*, in paper form) with Enforcement and Compliance's APO/Dockets Unit, Room 18022, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, and stamped with the date and time of receipt by the applicable deadlines.

#### Comments on Product Characteristics for AD Questionnaires

Commerce will provide interested parties an opportunity to comment on the appropriate physical characteristics of LWS to be reported in response to Commerce's AD questionnaires.

This information will be used to identify the key physical characteristics of the merchandise under consideration in order to report the relevant production information accurately as well as to develop appropriate product-comparison criteria.

Interested parties may provide any information or comments that they believe are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: 1) general product characteristics and 2) product-comparison criteria. We note that it is not always appropriate to use all product characteristics as product-comparison criteria. We base product-comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe LWS, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, Commerce attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaire, all product characteristics comments must be filed by 5:00 p.m. ET on April

16, 2018. Any rebuttal comments must be filed by 5:00 p.m. ET on April 26, 2018. All comments and submissions to Commerce must be filed electronically, using ACCESS as explained above, on the record of the less-than-fair-value investigation.

## Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the "industry."

Section 771(4)(A) of the Act defines the "industry" as the producers, as a whole, of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product, <sup>15</sup> they do so for different

<sup>&</sup>lt;sup>15</sup> See section 771(10) of the Act.

purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>16</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation" (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the Petition).

With regard to the domestic like product, the petitioners do not offer a definition of the domestic like product distinct from the scope of the Petition. Based on our analysis of the information submitted on the record, we have determined that LWS, as defined in the scope, constitute a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>17</sup>

In determining whether the petitioners have standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the "Scope of the Investigation," in the Appendix to this notice. To establish industry support, the petitioners provided their shipments of the domestic like product in 2017 and compared these shipments to the estimated total shipments of the

<sup>&</sup>lt;sup>16</sup> See USEC, Inc. v. United States, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing Algoma Steel Corp., Ltd. v. United States, 688 F. Supp. 639, 644 (CIT 1988), aff'd 865 F.2d 240 (Fed. Cir. 1989)).

<sup>&</sup>lt;sup>17</sup> For a discussion of the domestic like product analysis, *see* Enforcement and Compliance Office of AD/CVD Operations Antidumping Duty Investigation Initiation Checklist: Laminated Woven Sacks from the Socialist Republic of Vietnam (Vietnam AD Initiation Checklist), at Attachment II, Industry Support (Attachment II). This checklist is dated concurrently with, and hereby adopted by, this notice and on file electronically via ACCESS. Access to documents filed via ACCESS is also available in the Central Records Unit, Room B8024 of the main Commerce building.

domestic like product for the entire domestic industry.<sup>18</sup> Because total industry production data for the domestic like product for 2017 are not reasonably available to the petitioners, and the petitioners have established that shipments are a reasonable proxy for production data,<sup>19</sup> we have relied on the data the petitioners provided for purposes of measuring industry support.<sup>20</sup>

Our review of the data provided in the Petition, the General Issues Supplement, the Second General Issues Supplement, and other information readily available to Commerce indicates that the petitioners have established industry support for the Petition.<sup>21</sup> First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (e.g., polling).<sup>22</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.<sup>23</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition.<sup>24</sup> Accordingly, Commerce determines that the Petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

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<sup>&</sup>lt;sup>18</sup> See Second General Issues Supplement, at 1 and Exhibit I-2S1.

<sup>&</sup>lt;sup>19</sup> See General Issues Supplement, at 7 and Exhibit I-S3.

<sup>&</sup>lt;sup>20</sup> *Id*; see also Second General Issues Supplement, at 1 and Exhibit I-2S1. For further discussion, see Vietnam AD Initiation Checklist, at Attachment II.

<sup>&</sup>lt;sup>21</sup> See Vietnam AD Initiation Checklist, at Attachment II.

<sup>&</sup>lt;sup>22</sup> See section 732(c)(4)(D) of the Act; see also Vietnam AD Initiation Checklist, at Attachment II.

<sup>&</sup>lt;sup>23</sup> See Vietnam AD Initiation Checklist, at Attachment II.

 $<sup>^{24}</sup>$  Id

Commerce finds that the petitioners filed the Petition on behalf of the domestic industry because they are interested parties as defined in sections 771(9)(C), (E), and (F) of the Act, and they have demonstrated sufficient industry support with respect to the AD investigation that they are requesting that Commerce initiate.<sup>25</sup>

# Allegations and Evidence of Material Injury and Causation

The petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (NV). In addition, the petitioners allege that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act. <sup>26</sup>

The petitioners contend that the industry's injured condition is illustrated by a significant and increasing volume of subject imports; reduced market share; underselling and price depression or suppression; lost sales and revenues; a decline in U.S. shipments, capacity utilization, production, and financial performance; and the magnitude of the alleged dumping margins.<sup>27</sup> We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.<sup>28</sup> Allegation of Sales at Less Than Fair Value

The following is a description of the allegation of sales at less than fair value upon which Commerce based its decision to initiate the AD investigation of imports of LWS from Vietnam.

<sup>&</sup>lt;sup>26</sup> See Volume I of the Petition, at Exhibit I-7; see also General Issues Supplement, at 9.

<sup>&</sup>lt;sup>27</sup> See Volume I of the Petition, at 14-25 and Exhibits I-7 through I-9; see also General Issues Supplement, at 1, 9 and Exhibits I-S6 and I-S7.

<sup>&</sup>lt;sup>28</sup> See Vietnam AD Initiation Checklist, at Attachment III, Analysis of Allegations and Evidence of Material Injury and Causation (Attachment III).

The sources of data for the petitioners' calculations relating to U.S. price and NV are discussed in greater detail in the Vietnam AD Initiation Checklist.<sup>29</sup>

## **Export Price**

The petitioners based U.S. price on export price (EP) using the average unit value of publicly available import data.<sup>30</sup> The petitioners also based the U.S. price on EP using price quotes for sales of LWS produced in, and exported from, Vietnam and offered for sale in the United States.<sup>31</sup> Where applicable, the petitioners made deductions from U.S. price consistent with the terms of sale.<sup>32</sup>

## Normal Value

Commerce considers Vietnam to be an NME country.<sup>33</sup> In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by Commerce. The presumption of NME status for Vietnam has not been revoked by Commerce and, therefore, remains in effect for purposes of the initiation of this investigation. Accordingly, NV in Vietnam is appropriately based on factors of production (FOPs) valued in a surrogate market economy country, in accordance with section 773(c) of the Act.<sup>34</sup>

The petitioners state that India is an appropriate surrogate country for Vietnam, because it is a market economy country that is at a level of economic development comparable to that of Vietnam, it is a significant producer of comparable merchandise, and public information from

<sup>&</sup>lt;sup>29</sup> See Vietnam AD Initiation Checklist.

 $<sup>^{30}</sup>$  *Id*.

<sup>&</sup>lt;sup>31</sup> See Vietnam AD Initiation Checklist.

<sup>&</sup>lt;sup>32</sup> See Vietnam AD Initiation Checklist.

<sup>&</sup>lt;sup>33</sup> See Certain Steel Nails From the Socialist Republic of Vietnam: Preliminary Results and Partial Rescission of the Antidumping Duty Administrative Review; 2014-2016, 82 FR 26050 (82 FR 26050) (unchanged in Certain Steel Nails From the Socialist Republic of Vietnam: Final Results of Antidumping Duty Administrative Review; 2014-2016, 82 FR 45266 (September 28, 2017).

<sup>&</sup>lt;sup>34</sup> See Vietnam AD Initiation Checklist.

India is available to value all material inputs.<sup>35</sup> Based on the information provided by the petitioners, we determine that it is appropriate to use India as a surrogate country for initiation purposes.

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs no later than 30 days before the scheduled date of the preliminary determination.

### Factors of Production

The petitioners state that they do not have access to the Vietnamese producers' factors of production and consumption rates for those FOPs. Therefore, the petitioners relied on their own experience and other information reasonably available.<sup>36</sup> The petitioners valued the estimated FOPs using surrogate values from India.<sup>37</sup> Additionally, for the surrogate values denominated in Indian rupees (INR), the petitioners converted INR prices into U.S. dollars using the average exchange rate for the POI available on Commerce's website.<sup>38</sup>

#### Fair Value Comparisons

Based on the data provided by the petitioners, there is reason to believe that imports of LWS from Vietnam are being, or are likely to be, sold in the United States at less than fair value. Based on comparisons of EP to NV in accordance with sections 772 and 773 of the Act, the estimated dumping margins for LWS from Vietnam range from 101.73 percent to 292.61 percent.<sup>39</sup>

<sup>&</sup>lt;sup>35</sup> See Volume II of the Petition at 4, and Exhibits II-1A, and II-1B.

<sup>&</sup>lt;sup>36</sup> *Id.* at 6 and Exhibit II-7; *see also* AD Supplement, at 3 and Exhibit II-S5.

<sup>&</sup>lt;sup>37</sup> *Id.* at 6-8 and Exhibits II-9 through II-11; see also AD Supplement, at 3-4 and Exhibits II-S6, II-S8, and II-S9.

<sup>&</sup>lt;sup>38</sup> *Id.* at 6 and Exhibit II-8A.

<sup>&</sup>lt;sup>39</sup> See AD Supplement at 4, and Exhibit II-S2.

## <u>Initiation of the Less-than-Fair-Value Investigation</u>

Based upon our examination of the Petition, we find that the Petition meets the requirements of section 732 of the Act. Therefore, we are initiating this AD investigation to determine whether imports of LWS from Vietnam are being, or are likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determination no later than 140 days after the date of this initiation.

Under the Trade Preferences Extension Act of 2015, numerous amendments to the AD and CVD law were made. The 2015 law does not specify dates of application for those amendments. On August 6, 2015, Commerce published an interpretative rule, in which it announced the applicability dates for each amendment to the Act, except for amendments contained in section 771(7) of the Act, which relate to determinations of material injury by the ITC. The amendments to sections 771(15), 773, 776, and 782 of the Act are applicable to all determinations made on or after August 6, 2015, and, therefore, apply to this AD investigation. Respondent Selection

The petitioners named 27 producers/exporters of LWS from Vietnam.<sup>43</sup> In accordance with our standard practice for respondent selection in AD cases involving NME countries, we intend to issue quantity and value (Q&V) questionnaires to producers/exporters of merchandise subject to this investigation. In the event Commerce determines that the number of companies is large and it cannot individually examine each company based on Commerce's resources, where

<sup>&</sup>lt;sup>40</sup> See Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, 129 Stat. 362 (2015).

<sup>&</sup>lt;sup>41</sup> See Dates of Application of Amendments to the Antidumping and Countervailing Duty Laws Made by the Trade Preferences Extension Act of 2015, 80 FR 46793 (August 6, 2015).

<sup>&</sup>lt;sup>42</sup> *Id.* at 46794-95. The 2015 amendments may be found at <a href="https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl">https://www.congress.gov/bill/114th-congress/house-bill/1295/text/pl</a>.

<sup>43</sup> See General Issues Supplement at 4, and Exhibit I-S1.

appropriate, Commerce intends to select mandatory respondents based on the Q&V questionnaire responses received. For this investigation, Commerce will request Q&V information from known exporters and producers identified with complete contact information in the Petition. In addition, Commerce will post the Q&V questionnaire along with filing instructions on Enforcement and Compliance's website at

http://www.trade.gov/enforcement/news.asp.

Producers/exporters of LWS from Vietnam that do not receive Q&V questionnaires by mail may still submit a response to the Q&V questionnaire and can obtain a copy of the Q&V questionnaire from Enforcement & Compliance's website. The Q&V questionnaire response must be submitted by the relevant Vietnamese exporters/producers no later than 5:00 p.m. ET on April 10, 2018. All Q&V questionnaire responses must be filed electronically via ACCESS. Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and producers must submit a separate-rate application. <sup>44</sup> The specific requirements for submitting a separate-rate application are outlined in detail in the application itself, which is available on Commerce's web site at http://enforcement.trade.gov/nme/nme-sep-rate.html. The separate-rate application will be due 30 days after publication of this initiation notice. <sup>45</sup> Exporters and producers who submit a separate-rate application and have been selected as mandatory respondents will be eligible for consideration for separate-rate status only if they timely respond to all parts of Commerce's AD questionnaire as mandatory respondents. Commerce requires that companies

<sup>&</sup>lt;sup>44</sup> *See* Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving Non-Market Economy Countries (April 5, 2005), available at http://enforcement.trade.gov/policy/bull05-1.pdf (Policy Bulletin 05.1).

<sup>&</sup>lt;sup>45</sup> Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that "the Secretary may request any person to submit factual information at any time during a proceeding," this deadline is now 30 days.

from Vietnam submit a response to both the Q&V questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status. Companies not filing a timely Q&V questionnaire response will not receive separate-rate consideration.

### Use of Combination Rates

Commerce will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation. <sup>46</sup>

# <u>Distribution of Copies of the Petition</u>

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the government of Vietnam *via* ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the Petition to each exporter named in the Petition, as provided under 19 CFR 351.203(c)(2).

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<sup>&</sup>lt;sup>46</sup> See Policy Bulletin 05.1 at 6 (emphasis added).

## ITC Notification

We will notify the ITC of our initiation, as required by section 732(d) of the Act. Preliminary Determination by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petition was filed, whether there is a reasonable indication that imports of LWS from Vietnam, are materially injuring or threatening material injury to a U.S. industry. <sup>47</sup> A negative ITC determination will result in the investigation being terminated. 48 Otherwise, the investigation will proceed according to statutory and regulatory time limits.

# Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)–(iv). 19 CFR 351.301(b) requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>49</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>50</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being

<sup>&</sup>lt;sup>47</sup> See section 733(a) of the Act.

<sup>&</sup>lt;sup>49</sup> See 19 CFR 351.301(b). <sup>50</sup> See 19 CFR 351.301(b)(2).

submitted. Interested parties should review the regulations prior to submitting factual information in this investigation.

# **Extensions of Time Limits**

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by the Secretary. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in a letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, standalone submission; under limited circumstances we will grant untimely-filed requests for the extension of time limits. Parties should review *Extension of Time Limits; Final Rule*, 78 FR 57790 (September 20, 2013), available at <a href="http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm">http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm</a>, prior to submitting factual information in this investigation.

## **Certification Requirements**

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>51</sup> Parties must use the certification formats

<sup>&</sup>lt;sup>51</sup> See section 782(b) of the Act.

provided in 19 CFR 351.303(g).<sup>52</sup> Commerce intends to reject factual submissions if the submitting party does not comply with applicable revised certification requirements.

#### Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305.<sup>53</sup>

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

Dated: March 27, 2018.

Gary Taverman,

Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

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<sup>&</sup>lt;sup>52</sup> See Certification of Factual Information To Import Administration During Antidumping and Countervailing Duty Proceedings, 78 FR 42678 (July 17, 2013); see also frequently asked questions regarding the Final Rule, available at http://enforcement.trade.gov/tlei/notices/factual info final rule FAQ 07172013.pdf.

<sup>&</sup>lt;sup>53</sup> On January 22, 2008, Commerce published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634 (January 22, 2008). Parties wishing to participate in this investigation should ensure that they meet the requirements of these procedures (*e.g.*, the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

## **Appendix**

# **Scope of the Investigation**

The merchandise covered by this investigation is laminated woven sacks. Laminated woven sacks are bags consisting of one or more plies of fabric consisting of woven polypropylene strip and/or woven polyethylene strip, regardless of the width of the strip; with or without an extrusion coating of polypropylene and/or polyethylene on one or both sides of the fabric; laminated by any method either to an exterior ply of plastic film such as biaxially-oriented polypropylene (BOPP), polyester (PET), polyethylene (PE), nylon, or any film suitable for printing, or to an exterior ply of paper; printed; displaying, containing, or comprising three or more visible colors (e.g., laminated woven sacks printed with three different shades of blue would be covered by the scope), not including the color of the woven fabric; regardless of the type of printing process used; with or without lining; with or without handles; with or without special closing features (including, but not limited to, closures that are sewn, glued, easy-open (e.g., tape or thread), reclosable (e.g., slider, hook and loop, zipper), hot-welded, adhesive-welded, or press- to-close); whether finished or unfinished (e.g., whether or not closed on one end and whether or not in roll form, including, but not limited to, sheets, lay-flat, or formed in tubes); not exceeding one kilogram in actual weight. Laminated woven sacks produced in the Socialist Republic of Vietnam are subject to the scope regardless of the country of origin of the fabric used to make the sack.

Subject laminated woven sacks are currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheading 6305.33.0040. If entered with plastic coating on both sides of the fabric consisting of woven polypropylene strip and/or woven polyethylene strip, laminated woven sacks may be classifiable under HTSUS subheadings 3923.21.0080, 3923.21.0095, and 3923.29.0000. If entered not closed on one end or in roll form (including, but not limited to, sheets, lay-flat tubing, and sleeves), laminated woven sacks may be classifiable under other HTSUS subheadings, including 3917.39.0050, 3921.90.1100, 3921.90.1500, and 5903.90.2500. If the polypropylene strips and/or polyethylene strips making up the fabric measure more than 5 millimeters in width, laminated woven sacks may be classifiable under other HTSUS subheadings including 4601.99.0500,4601.99.9000, and 4602.90.0000. Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.

[FR Doc. 2018-06727 Filed: 4/2/2018 8:45 am; Publication Date: 4/3/2018]